

Incidence of Proposed Rate Increase & Property Tax Credit Reduction

Legislature Proposal - Change marginal rates (4.75%, 5.00%, 5.50%, 6.25%, 6.95%), maximum property tax credit of \$1,000

Governor Proposal - Effective 1/1/08: increase top marginal rate to 5.5.%, maximum property tax credit \$225 (for filers under the age of 65)

JOINT FILERS

| CT AGI | Legislature Proposal | | | Governor Proposal | | | \$ | % |
|-----------|----------------------|-------------------------|---------------------|-------------------|-------------------------|---------------------|----------|--------|
| | | | | | | | CHANGE | CHANGE |
| | Liability (1) | Property Tax Credit (2) | Final Liability (1) | Liability (1) | Property Tax Credit (2) | Final Liability (1) | | |
| 25,000 | \$8 | \$8 | \$0 | \$8 | \$8 | \$0 | \$0 | |
| 40,000 | 302 | 302 | 0 | 312 | 225 | 87 | -\$87 | INF |
| 50,000 | 833 | 833 | 0 | 884 | 225 | 659 | -\$659 | INF |
| 60,000 | 1,737 | 1000 | 737 | 1,926 | 225 | 1,701 | -\$964 | -56.7% |
| 75,000 | 2,891 | 1000 | 1,891 | 3,263 | 225 | 3,038 | -\$1,147 | -37.8% |
| 100,000 | 4,268 | 1000 | 3,268 | 4,900 | 225 | 4,675 | -\$1,407 | -30.1% |
| 120,000 | 5,400 | 800 | 4,600 | 6,100 | 180 | 5,920 | -\$1,320 | -22.3% |
| 150,000 | 6,960 | 500 | 6,460 | 7,750 | 113 | 7,637 | -\$1,177 | -15.4% |
| 200,000 | 9,665 | 0 | 9,665 | 10,500 | 0 | 10,500 | -\$835 | -8.0% |
| 300,000 | 16,250 | 0 | 16,250 | 16,000 | 0 | 16,000 | \$250 | 1.6% |
| 600,000 | 37,000 | 0 | 37,000 | 32,500 | 0 | 32,500 | \$4,500 | 13.8% |
| 900,000 | 57,950 | 0 | 57,950 | 49,000 | 0 | 49,000 | \$8,950 | 18.3% |
| 1,500,000 | 99,650 | 0 | 99,650 | 82,000 | 0 | 82,000 | \$17,650 | 21.5% |
| 2,500,000 | 169,150 | 0 | 169,150 | 137,000 | 0 | 137,000 | \$32,150 | 23.5% |

Notes:

(1) All figures rounded to the nearest dollar.

(2) Property tax credit figures assume that the maximum allowable credit is claimed.

SINGLE FILERS

| CT AGI | Legislature Proposal | | | Governor Proposal | | | \$ | % |
|-----------|----------------------|-------------------------|---------------------|-------------------|-------------------------|---------------------|----------|--------|
| | | | | | | | CHANGE | CHANGE |
| | Liability (1) | Property Tax Credit (2) | Final Liability (1) | Liability (1) | Property Tax Credit (2) | Final Liability (1) | | |
| 15,000 | \$15 | \$15 | \$0 | \$15 | \$15 | \$0 | \$0 | |
| 20,000 | 126 | 126 | 0 | 137 | 137 | 0 | \$0 | |
| 25,000 | 336 | 336 | 0 | 349 | 225 | 124 | -\$124 | INF |
| 35,000 | 1,168 | 1000 | 168 | 1,310 | 225 | 1,085 | -\$917 | -84.5% |
| 50,000 | 1,980 | 1000 | 980 | 2,250 | 225 | 2,025 | -\$1,045 | -51.6% |
| 60,000 | 2,692 | 900 | 1,792 | 3,050 | 203 | 2,847 | -\$1,055 | -37.1% |
| 75,000 | 3,442 | 800 | 2,642 | 3,875 | 180 | 3,695 | -\$1,053 | -28.5% |
| 100,000 | 4,794 | 500 | 4,294 | 5,250 | 113 | 5,137 | -\$843 | -16.4% |
| 120,000 | 5,997 | 300 | 5,697 | 6,350 | 68 | 6,282 | -\$585 | -9.3% |
| 150,000 | 7,992 | 0 | 7,992 | 8,000 | 0 | 8,000 | -\$8 | -0.1% |
| 200,000 | 11,467 | 0 | 11,467 | 10,750 | 0 | 10,750 | \$717 | 6.7% |
| 300,000 | 18,417 | 0 | 18,417 | 16,250 | 0 | 16,250 | \$2,167 | 13.3% |
| 600,000 | 39,267 | 0 | 39,267 | 32,750 | 0 | 32,750 | \$6,517 | 19.9% |
| 900,000 | 60,117 | 0 | 60,117 | 49,250 | 0 | 49,250 | \$10,867 | 22.1% |
| 1,500,000 | 101,817 | 0 | 101,817 | 82,250 | 0 | 82,250 | \$19,567 | 23.8% |
| 2,500,000 | 171,317 | 0 | 171,317 | 137,250 | 0 | 137,250 | \$34,067 | 24.8% |

Notes:

(1) All figures rounded to the nearest dollar.

(2) Property tax credit figures assume that the maximum allowable credit is claimed.